VZCZCXRO6823 PP RUEHDBU RUEHFL RUEHKW RUEHLA RUEHNP RUEHROV RUEHSR DE RUCNDT #0458/01 1251925 ZNY CCCCC ZZH P 051925Z MAY 09 FM USMISSION USUN NEW YORK TO RUEHC/SECSTATE WASHDC PRIORITY 6465 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY RUEHDS/AMEMBASSY ADDIS ABABA PRIORITY 1950 RUEHBJ/AMEMBASSY BEIJING PRIORITY 1191 RUEHRL/AMEMBASSY BERLIN PRIORITY 1050 RUEHBR/AMEMBASSY BRASILIA PRIORITY 1099 RUEHBS/AMEMBASSY BRUSSELS PRIORITY 2023 RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 0627 RUEHEG/AMEMBASSY CAIRO PRIORITY 1039 RUEHLO/AMEMBASSY LONDON PRIORITY 1379 RUEHME/AMEMBASSY MEXICO PRIORITY 0761 RUEHMO/AMEMBASSY MOSCOW PRIORITY 1313 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 2588 RUEHFR/AMEMBASSY PARIS PRIORITY 1282 RUEHSA/AMEMBASSY PRETORIA PRIORITY 0869 RUEHRH/AMEMBASSY RIYADH PRIORITY 0177 RUEHUL/AMEMBASSY SEOUL PRIORITY 1079 RUEHKO/AMEMBASSY TOKYO PRIORITY 8705 RUEHBS/USEU BRUSSELS PRIORITY RUEHGV/USMISSION GENEVA PRIORITY 3679

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TAGS: <u>UNGA PGOV KGHG EFIN ECON EAID</u>
SUBJECT: AMBASSADOR RICE MEETS WITH UK MINISTER FOR
DEVELOPMENT DOUGLAS ALEXANDER

Classified By: ECOSOC Minister-Counselor Robert Hagen for reasons 1.5(b) and (d)

- 11. SUMMARY: In an April 27 meeting with Ambassador Rice, the UK Minister for Development Douglas Alexander and UK PR John Sawers expressed concern over the potential for the UN June 1-2 financial crisis conference to disrupt the G-20 international financial architecture reform discussions. Alexander urged the USG to take on a leadership role regarding two key issues that will be taken up at the Copenhagen Climate Change ministerial: developing interim carbon dioxide emission targets for emerging countries, and international assistance for adaptation to climate change by developing countries. In speaking about achievement of the Millennium Development Goals, Alexander agreed with Ambassador Rice that support for fragile states, particularly in strengthening governance, should be a core priority, and urged the USG to work with the UK on strengthening the UN peacebuilding architecture. END SUMMARY
- 12. (C) On April 27, Ambassador Rice met with the UK Secretary of State for the Ministry of International Development Douglas Alexander. Alexander was accompanied by UK Permanent Representative John Sawers. Alexander and Sawers began the meeting by noting their concern that Cuba, Iran, Venezuela and other "radical" G-77 countries would use the upcoming June 1-2 UN Conference on the World Financial and Economic Crisis and its Impact on Development to push for an outcome document that would for the first time, give the UN General Assembly a role in negotiations on revamping the Bretton Woods financial institutions and the world financial system. Sawers urged the United States to work with the UK to monitor preparatory meetings for the conference, quickly push back against the introduction of activist policy language into the outcome document, and split off more moderate G-77 countries who are already G-20 members.
- 13. (C) Ambassador Rice noted that dramatic rhetoric on the need for the UN to play a central role in reforming the world financial system was nothing new and that the USG did not see the June UN conference as a forum to consider seriously recommendations for Bretton Woods reform, but rather as an

opportunity to discuss the UN's role in mitigating the impact of the financial crisis on developing countries. She agreed that it would be important to work with the Netherlands (a co-facilitator for the negotiations on a conference outcome document) to tone down expectations and ensure that moderate G-77 countries continue to see the G-20 discussions as the proper venue for discussing BWI reform.

- ¶4. (U) On climate change, Alexander referred to the upcoming Copenhagen climate change ministerial talks and asked what initiatives the US might bring to the table. Ambassador Rice encouraged the EU to provide new thinking on a framework for creatively tackling adaptation and other issues, noting that for now, the Obama Administration will be focused largely on working with Congress to develop a domestic framework for addressing climate change. Alexander noted the difficulties in achieving a high-level political consensus on a common European position at the June European Council session given that most EU member states were still resolving inter-agency or ministerial differences on national positions regarding financing for adaptation.
- 15. (U) Ambassador Rice stated that there were many difficult issues to work through on adaptation, such as whether adaptation funding would count toward fulfilling ODA commitments toward achievement of the Millennium Development Goals. In speaking further about development assistance, she noted that President Obama sees USG support for MDG achievement as a priority. As the new Administration assesses the US foreign assistance infrastructure, enhanced

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support for fragile states would also be a USG priority. Ambassador Rice noted shortcomings in how the World Bank, the OECD, the UN, the G-8 and other coordination and multi-lateral institutions tackle the intersection between security and development that is at the heart of helping fragile states.

 $\underline{\P}6$. (SBU) Minister Alexander agreed, noting that the UK had launched a fundamental re-examination of its "traditional" assistance approach in the Democratic Republic of the Congo in order to develop policy alternatives for encouraging lasting security sector reform. He commented that the UK would continue to encourage the World Bank to work past restrictions on its ability to offer security sector assistance and do more to address security concerns alongside its traditional developmental assistance. He and his staff, however, saw the UN as the appropriate venue to comprehensively address security and development and he urged Ambassador Rice to closely work with the UK in the long-term task of strengthening the UN's peacebuilding architecture, including the Peacebuilding Commission and the Secretariat's Peacebuilding Support Office. He and Ambassador Rice agreed that the US and UK should engage the new UNDP Administrator Linda Clark to push for better coordination of UN peacebuilding activities and more oppo rtunity for bilateral civilian peacebuilding "rosters" to provide support to UN activities. Rice